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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/086,924	02/28/2002	John J. Koresko V.	10717-1U1	1681

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2005 MARKET STREET, SUITE 2200
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EXAMINER

KARMIS, STEFANOS

ART UNIT PAPER NUMBER

3624

DATE MAILED: 09/27/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 10/086,924	Applicant(s) KORESKO, JOHN J.	
	Examiner Stefano Karmis	Art Unit 3624	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 16 June 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-9, 11-16, 18-27, 29-34 and 36-46 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-9, 11-16, 18-27, 29-34 and 36-46 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB08)
Paper No(s)/Mail Date <u>06/16/2004</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. This communication is in response to Applicant's amendment filed on 16 June 2004.

Status of Claims

2. Claims 1-5, 12, 19-23, and 30 are currently amended. Claims 6-9, 11, 13-16, 18, 24-27, 29, 31-34, and 36 are as originally filed. Claims 10, 17, 28, and 35 are cancelled. Claims 37-46 are newly added. Therefore, claims 1-9, 11-16, 18-27, 29-34, and 36-46 are under prosecution in this application.

Summary of Office Action

3. Applicant's arguments filed 16 June 2004 have been fully considered but they are not persuasive and are discussed in the next section below or within the following rejection. Therefore claims 1-9, 11-16, 18-27, 29-34, and 36-46 stand rejected as stated in the previous office action, mailed 11 March 2004, and Applicant's request for allowance is respectfully denied.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 1-9, 11-16, 18-27, 29-34, and 36 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Regarding independent claim 1, Applicant has amended the claims to recite a computer-implemented data-processing method for creating a Section 412(i) qualified defined benefit pension plan funded using variable life insurance contracts, the method comprising: entering, via at least one user interface, actuarial data used to create the Section 412(i) qualified defined benefit pension plan; based on the actuarial data, electronically generating a variable life insurance policy used to fund the Section 412(i) qualified defined benefit pension plan; and electronically generating a separate agreement that extra-contractually modifies the variable life insurance policy so as to enable a guaranty of the plan benefits, wherein the plan includes the policy and the separate agreement.

The addition of the limitation specifying a Section 412(i) defined benefit pension plan renders the claim indefinite. Section 412(i) is a code, which periodically is updated with changes and therefore makes it transitory-in-nature. Upon each update of the Section 412(i) code, the scope of the instant application would be altered and would be transitory-in-nature as well.

Consequently the Section 412(i) limitation without a set-in-stone definition renders the metes and bounds of the claim confusing.

Continuing, the specification is a written description of the invention and of the manner and process of making and using the same. The specification must be in such full, clear, concise, and exact terms as to enable any person skilled in the art or science to which the invention pertains to make and use the same. See 35 U.S.C. 112 and 37 CFR 1.71. If a newly filed application obviously fails to disclose an invention with the clarity required by 35 U.S.C. 112, revision of the application should be required. See MPEP § 702.01. Referencing Section 412 (i), which is transitory-in-nature, ensures that the scope of the specification is altered with each update of the Section 412(i) code, and thus the specification is not considered to be full, clear, concise and exact terms as to enable any person skilled in the art to comprehend.

Independent claims 2-5, 12, 19, 20-23 and 30 are amended in a similar manner and the rejection follows as stated above for claim 1.

Claim Rejections - 35 USC § 101

6. Claims 1-9, 11-16, 18-27, 29-34, and 36, are rejected under 35 U.S.C. . 101 because the claimed invention is directed to a non-statutory subject matter.

Claims 1-9, 11-16, 18-27, 29-34, and 36 do not produce a “concrete” result in “A computer-implemented data-processing method for creating a Section 412(i) qualified defined

benefit pension plan funded using variable life insurance contracts.” The Section 412(i) qualifications in the present application do not produce concrete results; it is unclear how the present application expresses the use of the qualifications for determining whether a plan complies with Section 412(i).

The definition of concrete is particular and specific, not general. In the present application, the disclosure is nothing more than generalities as to Section 412(i) qualifications. The disclosure is short on specifics as to explicitly explain certain factors for determining whether a plan qualifies as Section 412(i). Pages 14-23 of the specification list Section 412(i) agreement and qualifications but there appears to be many variables and subjective determinations to be made. Although the instant specification is replete with generalizations regarding the various factors to be taken into consideration, it is short on any specific direction or guidance as to actually gathering the necessary data, inputting the required data and programming a computer to achieve the desired results.

Therefore, it is clear from the definition of “concrete” and the analysis of the disclosure and the claimed limitations of the present invention mentioned above that the disclosure of the present invention is nothing more than generalizations regarding the various factors to be taken into consideration, and it is short on any particular or specific direction or guidance in achieving the desired results and in providing a concrete result. Consequently, the claims are analyzed based upon the underlying process and thus rejected as being directed to a non-statutory process.

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

8. Claims 1-9, 11-16, 18-27, 29, 34 and 36 stand rejected under 35 U.S.C. 102(e) as being anticipated by Ryan et al. (hereinafter Ryan) U.S. Patent 6,304,859 as discussed in paragraph 2, pages 4-5 of the previous office action, mailed 11 March 2004.

Response to Arguments

9. Claims 1-9, 11-16, 18-27, 29, 34 and 36 stand rejected under 35 U.S.C. 102(e) as being anticipated by Ryan, further, Applicant contests that Ryan fails to teach a defined benefit pension plan. Applicant submits that a defined benefit pension plan is a retirement plan sponsored by an employer. Further, Applicant suggests that Ryan fails to teach funding the pension plan with variable life insurance policies. The Examiner respectfully disagrees, Ryan discloses administering an employer pension plan funded with variable life insurance (column 1, lines 9-15 and column 5, lines 5-19). Further the plan does not exist until the plan is administered, and therefore the plan is created and does not already exist. Continuing, BARRON'S Dictionary of

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Business Terms, 3rd edition, defines a defined benefit pension plan to be a “plan that promises to pay a specified amount (based on a predetermined formula) to each person who retires after a set number of years of service. Such trust plans pay no taxes on their investment income.

Employees contribute to them in some cases; in others, all contributions are made by the employer.” The Examiner asserts that the pension plan detailed in Ryan conforms to the definition of a defined benefit pension plan. Applicant is reminded that claims must be interpreted as broadly as their terms reasonably allow *In re Zletz*, 13USPQ2d 1320, 1322 (Fed. Cir. 1989).

10. Applicant further contests that Ryan fails to teaching providing a separate agreement that modifies the variable life insurance policy. The Examiner respectfully disagrees, Ryan discloses generating new contracts until a desired contract is established and transmitting all pertinent data to an insurance carrier’s system to prepare the policy and generate a report for the sponsoring employer stating the details as well as a report for each participant (column 9, lines 29 thru column 10, line 11). The report guarantees the plan of benefits and provides a separate agreement that modifies an existing variable life insurance policy to achieve the desired new plan. Further, Ryan discloses the ability to modify contracts and provide adjustments to the plan to achieve a desired policy and generate a new report to detail the adjustments (column 10, lines 12-37).

11. Regarding newly added claims 37 and 42 and dependent claims 11, 18, 29 and 36, Applicant asserts that Ryan fails to teach allocating funds contributed to the defined benefit

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pension plan between a General Account and a Variable Account to enable a guarantee of the plan benefits. Ryan teaches a Premium Optimization process in which details of the employee pension plan are considered and the premiums are designed so contributions guarantee the plan of benefits (column 11, line 16 thru column 12, line 8). As mentioned above, a defined benefit pension plan is a “plan that promises to pay a specified amount (based on a predetermined formula) to each person who retires after a set number of years of service. Such trust plans pay no taxes on their investment income. Employees contribute to them in some cases; in others, all contributions are made by the employer.” It is obvious to one of ordinary skill in the art, that the predetermined formula for investing in a fund can include contributing to Variable Accounts consisting of securities as well as other General Accounts designed to hold premiums as mentioned in Ryan (column 11, line 16 thru column 12, line 8) because it provides the necessary data to aid in determining whether or not the plan conforms to the desired of the employee. The Examiner believes this to be sufficient however the Examiner has also provided additional prior art, Schirripa U.S. Patent 6,636,834, in which a computer system and method for management, and control of annuities and distribution of annuity payments is disclosed wherein annuities have investment options ranging from fixed income to equity investments (column 2, lines 4-13). There is sufficient motivation to combine the teachings of Ryan and Schirripa because it details investment opportunities to achieve a desired payout from an annuity or pension plan.

Depending claims 38-41 and 43-46 have been addressed in the rejection of previously presented dependent claims and therefore the rejection is incorporated herein.

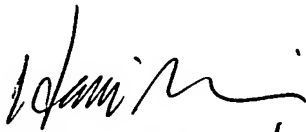
Conclusion

12. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Stefano Karmis whose telephone number is (703) 305-8130. The examiner can normally be reached on M-F: 8-5.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (703) 308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Respectfully Submitted
Stefano Karmis
16 September 2004


HANI M. KAZIMI
PRIMARY EXAMINER